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Unit: International Trade Factors What are the four advanced factors that Porter writes about? The four factors that porter also calls the diamond of national advantage are factor conditions, demand of product, relations with supporting enterprises and firm strategy, rivalry strategy (Porter 90).   
Factor conditions are those that a country anticipates in its production process. These factors are not about whether a country has raw material to produce a product, rather about the technicality of the whole production process. The Texas cotton growers did this by improving the machinery they used in the production process. The second factor is demand conditions. Demand of the product being exported should not necessarily have an extensive market platform. It should be more of intensive in order to ensure specified products for the sophisticated intensive market. Third is a countys relationship with other enterprises. This relation ensures a healthy competitive platform in related industries. The competition enables production of more quality products. Lastly are the firm strategy and rivalry conditions. Strategy depends on a countrys managerial ability and decision making, the formulation of different strategies must always take the importing countries into consideration. Rivalry ensures strength and dominance in the market.   
Texas cotton production took care of demand and rivalry by ensuring consumers got high quality cotton to beat their rivals. Their strategies consisted of introducing innovation into production process.   
Answer 3.   
The answer number three vividly explains the four factors. The answer on demand is contradictory. Demand should depend on an intensive foreign market and not a domestic sophisticated market. The issue is on import not domestic market. In its relation to Texas cotton producers the answer is vague on how exactly the Texans used the factors to improve their own production   
Work cited:   
Porter, M. E. The Competitive Advantage of Nations. New York: Free press. 1990.